

**CALENDAR ITEM
C61**

A 5
S 1

12/02/13
PRC 944.1
B. Terry

REVISION OF RENT

LESSEE:

California Pacific Electric Company, LLC
933 Eloise Avenue
South Lake Tahoe, CA 96150

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to Assessor's Parcel Numbers 018-041-04 and 018-060-05, Emerald Bay, El Dorado County.

AUTHORIZED USE:

Continued use and maintenance of an existing submarine electrical power cable and an inoperable submarine electrical power cable abandoned in place as shown on the attached Exhibit A.

LEASE TERM:

20 years, beginning December 1, 2002.

CONSIDERATION:

This lease provides that the State may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease and recommends rent be revised from \$1,038 per year to \$1,185 per year, effective December 1, 2013.

OTHER PERTINENT INFORMATION:

1. On June 18, 2002, the Commission authorized a General Lease – Right-of-Way Use to Sierra Pacific Power Company, for a term of 20 years. An amendment of the lease was authorized by the Commission on August 24, 2006, for installation of a new submarine power cable and abandonment in place of the existing inoperable submarine cable. On June 23, 2011, the Commission authorized an Assignment of Lease to California Pacific Electric Company, LLC. That lease will expire on November 30, 2022. Staff conducted the rent review called for in the lease and recommends the rent be increased.

CALENDAR ITEM NO. **C61** (CONT'D)

2. The staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

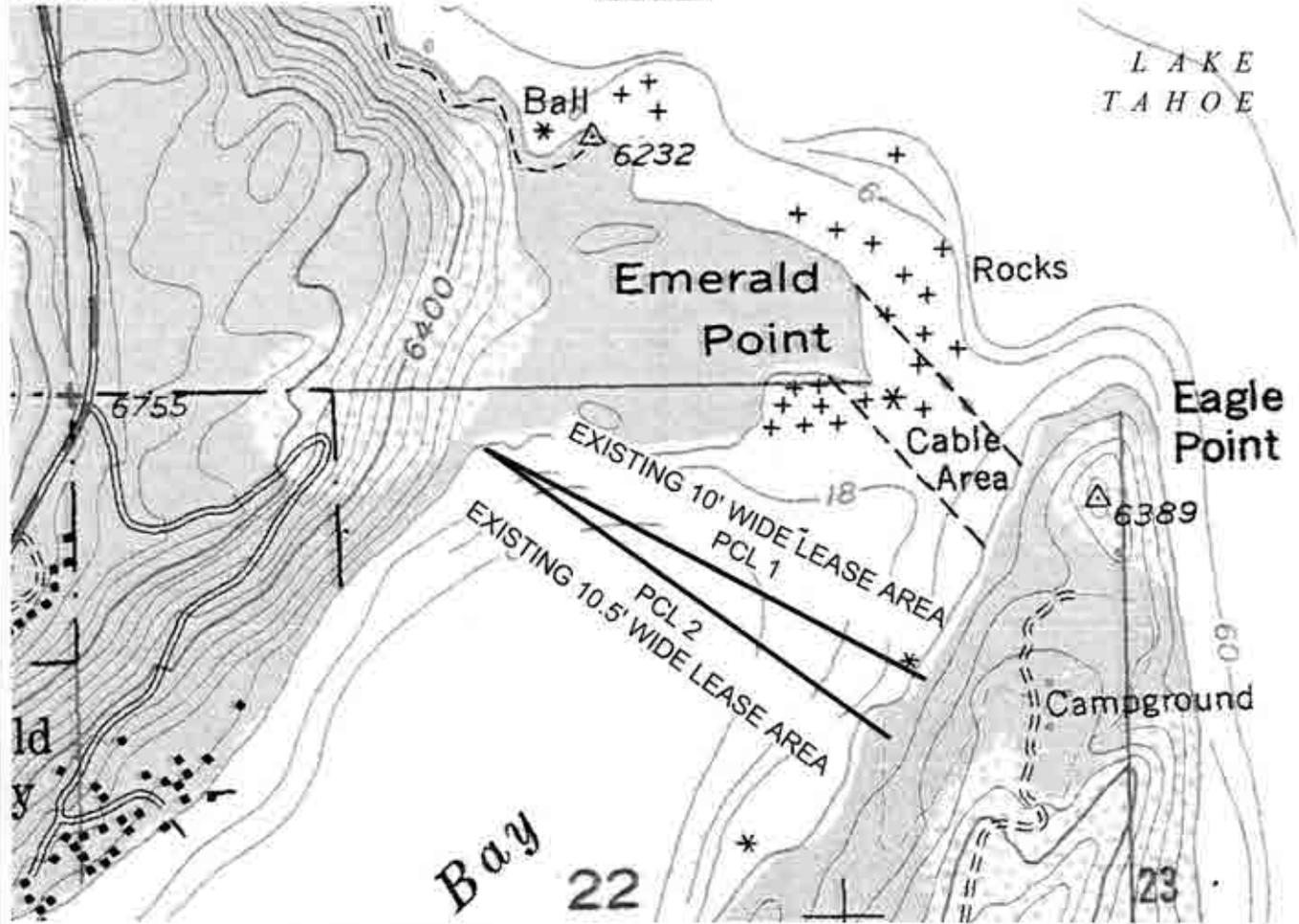
AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 944.1 from \$1,038 per year to \$1,185 per year, effective December 1, 2013.

NO SCALE

SITE

LAKE TAHOE



CALIFORNIA PACIFIC ELECTRIC CO., LLC,
SUBMARINE CABLE CROSSING, EMERALD BAY

NO SCALE

LOCATION

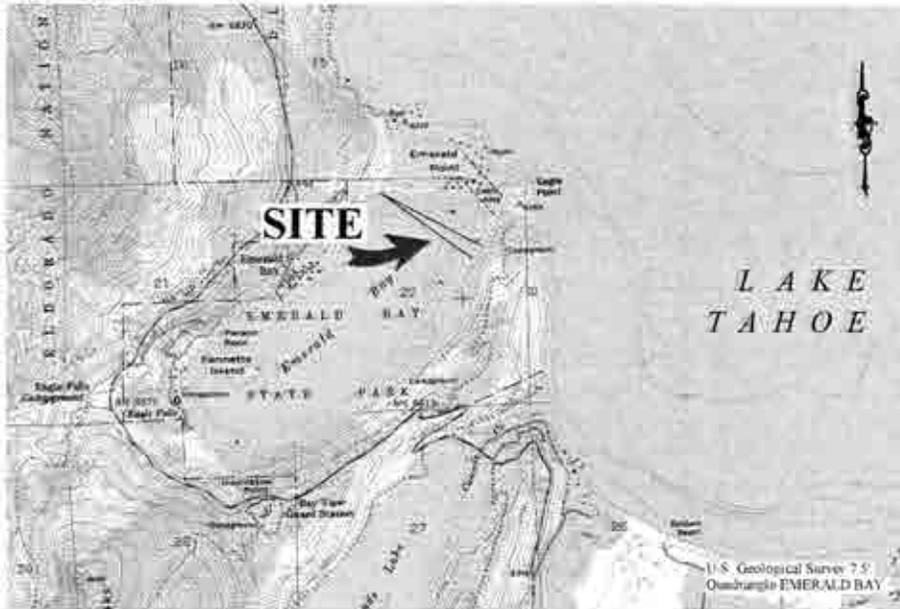
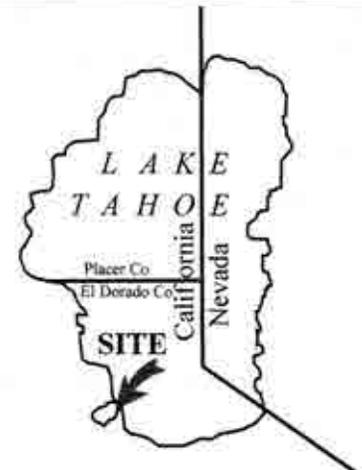


Exhibit A

PRC 944.1
APN 018-041-04
& APN 018-060-05
GENERAL LEASE-
RIGHT-OF-WAY USE
EL DORADO COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by Lessee or other parties, and is not intended to be, nor shall it be construed as a waiver or limitation of any state interest in the subject or any other property.

MJJ 12/10